

Notice No.: 86-011

Date: December 5, 1986

Applies to: Personnel/Payroll Officers
Public Employees' Retirement System

Subject: Additional Temporary Duty Disability Service Credit
Provision (EHB 1652, Section 2, Chapter 176, Laws of
1986, Regular Session)

This notice explains the additional temporary duty disability service credit. The key word is additional. This provision is an alternative to existing law.

If you are counseling a member, be sure to compare the existing law to the new law to see which is preferable for the member.

NEW TEMPORARY DUTY DISABILITY PROVISIONS – PERS I AND II

The following new temporary duty disability service credit information applies to both PERS I and II.

The new voluntary provision applies to members disable in the line of duty on or after March 27, 1984, who received or are receiving benefits under Title 51 RCW (Industrial Insurance Act). Such members may receive PERS service credit if all necessary conditions are met.

The member must be employed or on authorized leave of absence at the time the service credit is established. No service credit will be allowed after a member is separated from service without a leave of absence even though the member subsequently returns to service. Service and compensation credit cannot be granted for a period in excess of 12 consecutive months.

Employee and employer contributions are to be made based on the appropriate contribution rates for the period of service to be credited. Employer contributions are to be paid by the employer. In addition, the employer is responsible for collecting the employee contributions and forwarding them to the department.

Contributions are to be based on the “regular compensation” the member would have received if the disability had not occurred. Salary increases that would have applied if the disability had not occurred must be “regular compensation.”

Member contributions under this act are not tax deferred contributions covered under the provisions of the employer pickup legislation which took effect September 1, 1984.

In the event of retroactive establishment of service, seven percent compounded interest will be added to both the member’s and employer’s obligation from the date each monthly salary would have been earned to the payment date.

Member and employer obligations will be calculated by our membership section based on Verification of Employment forms submitted by the employer. The employer must state in a cover letter or memorandum that the information is being submitted for calculation of the liability under the provisions of this act and that the member was receiving or has received Title 51 benefits during the period identified on the Verification of Employment form.

Members may establish up to 12 months of service credit for each incident covered by Title 51 with the following exception: repeated flare-ups or recurrences of one incident is considered part of the original temporary duty disability period and the combined total is limited to 12 months.

EXISTING DUTY DISABILITY PROVISIONS

PERS Plan I: Citations – RCW 41.40.220(2) and 41.40.320. Members unable to work as a result of an accident or occupational disease suffered in the line of duty may retire. They will receive service credit for each month of disability retirement until age 60. Application for disability must be made within two years from the date of the disablement.

PERS Plan II: Citation – RCW 41.40.710. While not designated a disability provision only, PERS Plan II members have the option of establishing up to two years of service credit for an unpaid, authorized leave of absence. Since a member is limited to establishing two years of service credit under this provision during his/her working career, the member may wish to establish service under the new temporary duty disability provision first and retain his/her option to establish service under RCW 41.40.710 for other circumstances.

Robert L. Hollister, Jr.
Director